SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 or 15(d) of
THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter Ended:
May 31, 1992

Commission File No. 0-8113

GENETIC ENGINEERING, INC.
(Exact name of registrant as specified in its charter)

Colorado	84-0824079
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification Number)

136th Avenue and North Washington Street
Denver, Colorado 80233
(Address of principal executive offices)

Registrant's telephone number, including area code: (303) 457-1311

Indicate by check mark whether registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes __X__ No _____

Indicate the number of shares outstanding of each of the Issuer's classes of common stock, as of the latest practicable date.

Common Stock, par value $.01	3,997,675
Class	Outstanding at July 1, 1992

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GENETIC ENGINEERING, INC.

FORM 10-Q

QUARTER ENDED MAY 31, 1992

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GENETIC ENGINEERING, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND
RESULTS OF OPERATIONS

QUARTER ENDED MAY 31, 1992

Results of Operations

The Company's net loss for the nine months ended May 31, 1992 was $103,560, $66,227 greater than the net loss of $37,333 for the same period in 1991. The net loss for the current period represents a loss of $.03 per common share compared to a loss of $.01 per common share for the comparable period in 1991. Net loss in the current period was primarily the result of legal and accounting fees associated with the filing of a registration statement regarding the plan of reorganization with Miller Diversified Corporation (see "Agreement and Plan of Reorganization" on Page 2 of this report for details of this transaction). The lower net loss for the same period in 1991 was primarily due to a non-recurring gain received from the reimbursement of professional fees from settlement of a lawsuit and reimbursement of patent and related costs pursuant to a commercialization agreement. The Company's net loss for the three months ended May 31, 1992 was $64,611, which represents a loss of $.02 per common share (1991 net loss for the same period was $25,437 or $.01 per common share). The Company's primary source of operating revenues is from the rental of its real estate, which generated $35,896 and $34,600 of revenue in the nine-months ended May 31, 1992 and 1991, respectively.

Management has been seeking to effect a sale of the Company's land, buildings, equipment and other assets which are not deemed to be necessary for its operations, the proceeds of which would be used to help finance current operations. In addition, the Company has continued to seek to effect a business combination in order to provide access to capital. In February 1992, the Company entered into an Agreement and Plan of Reorganization with Miller Diversified Corporation (see Page 2 of this report for details of this reorganization).

Liquidity and Capital Resources

As of May 31, 1992, the Company had a negative working capital of $349,642 compared to a negative working capital last quarter of $285,060.

Selling, general and administrative expenses increased by $24,736 over the comparable nine-month period in 1991. The increase was due primarily to legal and accounting fees associated with the reorganization with Miller.

Interest expense of $13,706 this period compares to interest expense of $10,433 for the same period in 1991.

Depreciation expense decreased by $1,271 over the comparable period in 1991.

GENETIC ENGINEERING, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND
RESULTS OF OPERATIONS

QUARTER ENDED MAY 31, 1992

Agreement and Plan of Reorganization with Miller Diversified Corporation

In February, 1992, the company signed an Agreement and Plan of Reorganization with Miller Diversified Corporation, a commercial cattle feeder and agricultural financial services company located in LaSalle, Colorado. Under the Agreement, the present stockholders of Genetic will become stockholders of Miller and Genetic will become a wholly-owned subsidiary of Miller in exchange for stock and the exchange of new Miller warrants for outstanding Genetic warrants and options. The proposed exchange will enhance shareholder value for the stockholders of Genetic by allowing them to become stockholders of a much larger company that has greater financial strength, strong on-going operations and a history of profitability. The combination of Genetic's technology and Miller's strong operating and financial base will result in a company with potential to compete more effectively in national and international markets.

A special shareholders' meeting is scheduled for August 6, 1992, to allow shareholders to vote on this reorganization.

GENETIC ENGINEERING, INC.

BALANCE SHEET

ASSETS

(Unaudited)

	May 31, 1992	August 31, 1991
Current assets:		
Cash	$ 527	$ 507
Receivables, trade	3,202	4,045
Inventories	81,601	81,601
Prepaid expenses (Note 5)	9,589	9,620
Total current assets	94,919	95,773
Property held for sale, net of accumulated depreciation ($28,758) (Note 2)	1,003,801	1,003,801
Equipment, net of accumulated depreciation ($98,933 at May 31, 1992, and $98,661 at August 31, 1991)	261	533
Patents and trademarks (Note 7)	---	---
TOTAL ASSETS	$1,098,981	$1,100,107

See notes to financial statements.

GENETIC ENGINEERING, INC.

BALANCE SHEET (Continued)

LIABILITIES AND SHAREHOLDERS' EQUITY

(Unaudited)

	May 31, 1992	August 31, 1991
Current liabilities:		
Accounts payable:		
Trade	$ 156,619	$ 117,280
Related parties (Note 3)	186,869	157,242
Accrued expenses (Note 4)	101,073	67,605
Total current liabilities	444,561	342,127
Shareholders' equity:		
Common stock, $.01 par value; authorized 20,000,000 shares; issued and outstanding 3,997,675 shares	39,977	39,977
Capital in excess of par	6,320,021	6,320,021
Deficit	(5,705,578)	(5,602,018)
Total shareholders' equity	654,420	757,980
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$1,098,981	$1,100,107

See notes to financial statements.

GENETIC ENGINEERING, INC.

STATEMENT OF INCOME (LOSS)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	May 31, 1992	May 31, 1991	May 31, 1992	May 31, 1991
Revenues:				
Rental income	$ 10,382	$ 12,371	$ 35,896	$ 34,600
Other		5,406		39,433
	10,382	17,777	35,896	74,033
Costs and expenses:				
Costs of sales	450	(645)	2,813	1,461
Selling, general and administrative expenses	67,532	39,656	122,665	97,929
	67,982	39,011	125,478	99,390
	(57,600)	(21,234)	(89,582)	(25,357)
Other expenses:				
Depreciation & amortization	28	307	272	1,543
Interest expense	6,983	3,896	13,706	10,433
	7,011	4,203	13,978	11,976
Net income (loss)	$ (64,611)	$ (25,437)	$ (103,560)	$ (37,333)
Net income (loss) per common share (Note 6)	$ (.02)	$ (.01)	$ (.03)	$ (.01)
Weighted average number of shares outstanding (Note 6)	3,997,675	3,997,675	3,997,675	3,797,675

See notes to financial statements.

GENETIC ENGINEERING, INC.

STATEMENT OF CASH FLOWS
(Unaudited)

	Nine Months Ended	
	May 31, 1992	May 31, 1991
Cash flows from operating activities:		
Net income (loss)	$ (103,560)	$ (37,333)
Adjustments to reconcile net income (loss) to net cash provided in operating activities:		
Depreciation	272	1,543
Compensation, issuance of stock to directors and officers		9,375
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	843	(444)
Decrease in prepaid expenses	30	640
Increase (decrease) in accounts payable	39,340	(15,185)
Increase in advances-related parties	29,627	21,025
Increase in accrued expenses	33,468	21,079
Net cash provided in operating activities	20	700
Cash at beginning of period	507	389
Cash at end of period	$ 527	$ 1,089

See notes to financial statements.

GENETIC ENGINEERING, INC.

NOTES TO FINANCIAL STATEMENTS
(Unaudited)

QUARTER ENDED MAY 31, 1992

1. Adjustments:

In the opinion of the Company, the accompanying unaudited financial statements contain all of the adjustments necessary to fairly present the financial position of the Company as of May 31, 1992 and May 31, 1991, and the results of its operations and changes in cash flows for the periods then ended. The Company believes that all of the adjustments are of a normal recurring nature.

2. Property, plant and equipment held for sale:

The Company has land, buildings, equipment and other assets which are not deemed to be necessary. The cash received from the sale of these assets will be used to help finance current operations.

3. Related party transactions:

The Company's president has periodically advanced the Company funds to help finance cost of operations. The president has also paid expenses on behalf of the Company which are reimbursable to him. Such advances are interest bearing at the rate of 10% and due on demand. As of May 31, 1992, outstanding advances were $186,869 including accrued interest.

4. Accrued expenses:

As of May 31, 1992, the Company owed $61,484 in property taxes which are included in accrued expenses.

5. Capital stock and capital in excess of par:

Common stock issued for goods and services: During 1987, the Company exchanged 100,000 shares of its common stock for $200,000 of credits to purchase goods and services through an unrelated party. The stock was valued at 50% of its trading value on date of issuance as a result of restrictions on sale of the stock. Therefore, the stock was recorded at $21,000, and the estimated value of goods and services remaining is included with prepaid expenses.

6. Loss per common share:

Loss per common share has been computed by dividing the net loss by the weighted average number of shares of common stock outstanding during the three months and nine months ended May 31, 1992.

7. Patents and technologies:

Sale of micro-injection technology: In October of 1989, the Company entered into an agreement pursuant to which it sold its rights in and to a patent relative to its micro-injection technology. The Company received $40,000 in cash with an additional $20,000 due over four years. In February of 1990, the Company accepted $10,000 in cash in settlement for the $20,000 payments over four years resulting in a total gain from the sale of $50,000.

Consulting agreement: In April of 1991, the Board of Directors approved an amendment to a consulting agreement with an individual pursuant to which the individual is to receive 10% of all royalties received by the Company upon sale of licensed products from certain of the Company's technologies.

Commercialization agreements:

In February of 1991, the Company entered into an agreement pursuant to which the Company assigned all of its rights to its patent for "encapsulation of sperm for artificial insemination" to British Technology Group, USA, Inc. ("BTG") for a period of ten years. The Company is to receive one-half of any aggregate gross receipts less allowable costs realized by BTG from the commercialization of the patent. The consulting agreement mentioned above applies to this technology.

In July of 1991, the Company entered into a similar agreement with BTG related to its patent for "a method of treating collected mammalian semen and separating sperm into XY components". This technology is not subject to the consulting agreement mentioned above.

GENETIC ENGINEERING, INC.

QUARTER ENDED MAY 31, 1992

PART II

Item 1. Legal Proceedings: None.

Item 2. Changes in Securities: None.

Item 3. Defaults Upon Senior Securities: None.

Item 4. Submission of Matters to a Vote of Security Holders:

During the three months ended May 31, 1992, no matter was submitted to a vote of security holders through the solicitation of proxies or otherwise. However, as stated on Page 2, the Company entered into an Agreement and Plan of Reorganization with Miller Diversified Corporation in February 1992. A special shareholders meeting is planned for August 6, 1992, to allow shareholders to approve the reorganization.

Item 5. Other Information: None.

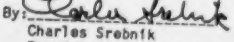
Item 6. Exhibits and Reports on Form 8-K: None.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GENETIC ENGINEERING, INC.

Date: July 13, 1992

By: 

Charles Srebnik
President, Treasurer
and Principal
Financial and
Accounting Officer